GOVERNMENT OF INDIA
NON-CONVENTIONAL ENERGY SOURCES
LOK SABHA

UNSTARRED QUESTION NO:1816
ANSWERED ON:02.08.2001
CONCESSIONS ON FOREIGN WIND MILL MACHINES
JAGMEET SINGH BRAR

Will the Minister of NON-CONVENTIONAL ENERGY SOURCES be pleased to state:

(a) whether foreign wind mill machines are being procured through Indian agents whereas indigenous machines and components are ignored on price differentials;

(b) whether it is also a fact that if sales tax, excise exemptions and income tax concessions on foreign wind mill machines are added to the cost, the indigenous ones are quite comparable and competitive;

(c) the cost of wind mill machines procured from foreign countries and the cost of indigenous machine separately; and

(d) the steps taken to encourage domestic industry engaged in wind mill machines?

Answer

MINISTER OF STATE FOR NON-CONVENTIONAL ENERGY SOURCES (INDEPENDENT CHARGE), (SHRI M. KANNAPPAN)

(a), (b) & (c): Wind power projects are being taken up mainly as commercial projects through private sector investments. Wind electric generators are not being imported as complete machines. Specified critical components are imported by different manufacturers depending upon the level of indigenisation achieved by them. Fiscal incentives, such as sales tax, excise duty and income tax concessions are provided to encourage all non-conventional energy projects, including wind power projects. There is no discrimination among the manufacturers. In a free and competitive market, it is up to the promoters of commercial wind power projects to judge and assess the quality and performance of the wind machines, keeping in view their comparative price.

Wind power technology development is progressing rapidly and there is need to keep pace with state-of-the-art technology, which would provide better performance and higher output, at lower cost. The unit size of wind machines has also increased with new technology development. The cost of wind machines manufactured in India varies with technology, type, size, performance parameters and market conditions.

(d): Wind machines are being manufactured through local production in India. Fiscal and promotional incentives, and soft loans, are provided to encourage wind power projects and wind industry. Research and development is being supported, and testing and certification facilities have also been set up to assess the wind industry in the country.